UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Adjustment Administration
Alfred D. Stedman, Assistant Administrator
Director, Division of Information and Records
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TO FARM JOURNAL EDITORS:

The following information is for your use.

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Specialists in Information.

SECOND INSTALLMENT PAYMENTS TO CORN-HOG PRODUCERS

With practically all first installment checks, totaling about $129,000,000, now distributed to producers cooperating in the 1934 corn-hog adjustment program, disbursements of the second installment, totaling approximately $92,000,000, will begin within a few days.

Distribution of the second payments will go forward as rapidly as forms certifying the compliance of individual producers with the contract provisions are received from the field and checked by the Rental and Benefit Audit Section. Checks to counties, from which complete expense statements to July 1 and budgets for the remainder of the 1934 program have not yet been received, will be held up, even though compliance certificates have been submitted. Until these statements and budgets are submitted the individual producer's pro rata share of the local administrative expenses, part of which is to be deducted from the second payment, cannot be computed. Also before payments are made to a county, a certification form is required, listing all contract signers who own, operate, or control forms outside of the county any one of which is not covered by a corn-hog contract.

It is expected that the disbursement of second installment checks will be under way in considerable volume within the next ten days or two weeks. Compliance certificates on about 450,000 out of the total of about 1,150,000 contracts have now been received in Washington. The contracts will be placed in line for payment according to the priority of arrival of the compliance certificates.

The total of $129,000,000 paid to cooperating corn-hog producers thus far, represents about 95 percent of the estimated final total of the first installment of $137,000,000. Payments by States through November 14 were as follows:

Alabama, $196,848; Arizona, $20,869; Arkansas, $463,527; California, $813,664; Colorado, $941,096; Connecticut, $20,921; Delaware, $14,949; Florida, $126,463; Georgia, $69,445; Idaho, $454,890; Illinois, $16,417,579; Indiana, $10,316,729; Iowa, $30,930,530; Kansas, $6,956,743; Kentucky, $1,666,024; Louisiana, $13,235; Maryland, $220,001; Massachusetts, $185,081; Michigan, $1,344,436; Minnesota, $8,833,085; Mississippi, $28,967; Missouri, $10,646,129; Montana, $224,189; Nebraska, $12,398,891; Nevada, $25,779; New Hampshire, $10,103; New Jersey, $112,474; New Mexico, $170,820; New York, $101,221; North Carolina, $268,802; North Dakota, $1,261,405; Ohio, $7,229,195; Oklahoma, $1,986,216; Oregon, $286,263; Pennsylvania, $166,543; Rhode Island, $2,140; South Carolina, $122,442; South Dakota, $5,832,367; Tennessee, $1,421,226; Texas, $1,872,670; Utah, $84,813; Vermont, $25,015; Virginia, $670,421; Washington, $317,925; West Virginia, $113,231; Wisconsin, $3,343,333; Wyoming, $177,512.

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GROWERS' WHEAT BENEFIT PAYMENTS TOTAL $117,727,345

Wheat benefit payments totalling $49,871,589, representing approximately half of the sums due in 1934 to growers cooperating in the Agricultural Adjustment Administration's wheat program, have been paid to date, it was announced on November 19.

The payments consist of $13,232,716, representing approximately half of the amount due on the second installment on the 1933 payment of 9 cents per bushel of allotment, less local county costs, and $36,638,873, representing approximately half of the amount due on the first payment on the 1934 crop of 20 cents a bushel of allotment. In addition to these payments, growers have already received $67,855,756, on the first 1933 installment, making total payments to growers in the wheat program to date of $117,727,345.

"The remaining 1934 payments are continuing to go to growers steadily, as compliance certificates are received in Washington and audited," George E. Farrell, chief of the wheat section said. "On approximately 577,000 contracts signed by growers, more than 521,000 compliance certificates have been received to date." Mr. Farrell said.

"It is now just a few days more than one year since the first checks went to farmers in the Adjustment Administration wheat program. In this year, the payments which have actually gone to growers averaged more than $200 per contract. These wheat benefits have been supplementary to the income farmers have received from the sale of their crops, and in areas where drought has prevailed, wheat benefits have been a material factor in providing partial insurance against such disaster."

In addition to the benefits actually paid to date, growers are to receive approximately $75,000,000 more on their 1933 and 1934 crops with this amount including unpaid sums on payments now due, and the second installment on the 1934 crop, which will be payable next season. Cooperating growers will also receive whatever adjustment payments are determined upon for the 1935 crop, which is the last crop to be produced under the present contract.

The following tabulation shows, by states, wheat benefit payments to date on the first 1933 installment, the second 1933 installment, and the first 1934 installment:

STATE	FIRST INSTALLMENT YEAR, 1933	SECOND INSTALLMENT YEAR, 1933	FIRST INSTALLMENT YEAR, 1934
Arizona	$ 14,572.40	$ 1,376.91	$ 3,882.80
Arkansas	1,884.00		
California	821,284.19	160,161.13	401,032.40
Colorado	1,475,435.57	66,693.92	371,256.80
Delaware	75,606.60	15,325.05	39,131.80
Georgia	5,173.00	870.75	2,161.00
Idaho	2,338,252.68	236,636.67	701,072.79
Illinois	1,715,738.25	195,774.35	704,017.10
Indiana	1,293,938.67	216,775.67	702,478.30
Iowa	296,317.30	44,329.41	115,573.00
Kansas	16,784,490.85	4,495,205.33	11,653,369.07
Kentucky	171,938.05	10,861.21	39,110.20
Maryland	547,785.40	157,127.13	450,915.82
Michigan	569,771.11	64,184.17	239,292.68
Minnesota	1,273,291.44	79,315.03	281,669.46
Missouri	1,054,746.25	219,205.38	686,852.12
Montana	4,360,366.72	713,883.79	1,912,267.73
Nebraska	4,090,345.36	1,010,502.73	3,051,195.74
Nevada	20,372.20	2,426.75	7,728.00
New Jersey	7,790.40	827.44	3,602.40
New Mexico	343,908.11	88,530.61	220,679.75
New York	30,536.80	2,379.09	7,579.80
North Carolina	36,941.80	4,524.90	13,450.40
North Dakota	10,106,837.45	2,016,490.52	5,364,948.93
Ohio	1,181,231.41	164,514.17	548,977.60
Oklahoma	4,708,064.67	1,246,111.69	3,241,704.74
Oregon	1,831,343.45	226,567.45	579,421.90
Pennsylvania	175,223.30	21,202.80	81,551.80
South Dakota	3,529,018.83	604,717.97	1,780,763.54
Tennessee	88,070.81	11,197.33	34,387.80
Texas	3,729,414.04	797,300.42	2,028,159.85
Utah	454,513.20	91,012.25	307,637.80
Virginia	371,620.13	62,023.26	211,717.21
Washington	3,990,023.92	137,536.82	665,919.00
West Virginia	52,674.80	4,570.98	10,026.60
Wisconsin	26,826.40	302.15	1,048.20
Wyoming	280,238.43	32,052.69	100,690.40
TOTALS	$67,855,756.23	$13,232,716.71	$36,638,873.03

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DATE OF REFERENDUM ON BANKHEAD COTTON ACT

The Agricultural Adjustment Administration has announced that the referendum on whether the Bankhead Cotton Control Act shall be continued into the 1935 season will be held throughout the Cotton Belt on Friday, December 14, 1934.

The hours of voting, previously announced as from 8 a.m. until 6 p.m., have been changed to from 9 a.m. to 5 p.m. Printed ballots and regulations governing the referendum are being sent to the voting areas.

The question which will be submitted to eligible voters, defined in the Act as those "persons who have the legal or equitable right as owner, tenant, share-cropper or otherwise to produce cotton on any cotton farm, or part thereof, in the United States for the crop year 1935-36", is as follows:

"Are you in favor of continuing the Bankhead Act for next year (June 1, 1935, to May 31, 1936)?"

A footnote to the question explains that the "continuance of the Bankhead Act means that a tax will continue to be levied on the ginning of cotton in excess of the allotment made to meet the probable market requirements."

Secretary of Agriculture Wallace, in a statement that will be given each voter along with his ballot, defines the Adjustment Administration's impartial attitude in the referendum. This statement urges cotton farmers to "examine carefully all the facts and reach a decision based upon considered judgment as to whether the Bankhead Act is needed to assure attainment of the objectives of the cotton adjustment program."

"Cotton farmers," a portion of the statement reads, "must decide whether, in their opinion, the adjustment of cotton production under the voluntary contracts is sufficient to meet the requirements of the present emergency. Will the efforts of a small minority of non-cooperators, the tendency toward more intensive cultivation, and the possibility of new lands coming into cotton production combine to increase total production above the point which seems desirable? That, it appears, is the central question involved in a decision on continuing the Bankhead Act for next year." The Secretary emphasizes in his statement that the Administration is not seeking to impose its views upon the producers and that "it is for the cotton farmers to choose."

The referendum is provided for in the Bankhead Act, which specifies that it will be continued in effect for the crop year 1935-36, if the President finds and proclaims that the economic emergency in cotton production and marketing will continue to exist, so that the application of the Act with respect to the crop year 1935-36 is imperative in order to carry out the declared policy of the Act.

If the President makes such a finding and proclamation and the Act is continued in effect for the crop year 1935-36, then the tax on cotton in excess of quantities allotted to meet probable market requirements will be continued in effect, if the Secretary finds that two-thirds of the persons who have the legal or equitable right as owner, tenant, share-cropper, or otherwise to produce cotton on any cotton farm, or part thereof, in the United States for the

crop year 1935-36, favor the levy of the tax.

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TOBACCO GROWERS TO VOTE ON KERR-SMITH ACT

The question of continuing the Kerr-Smith Tobacco Act in 1935 will be submitted to growers of four types of tobacco in a referendum in December, the Agricultural Adjustment Administration has announced.

Persons who own, rent, share-crop or control land customarily engage in the production of flue-cured, Burley, fire-cured and dark air-cured tobacco will be given an opportunity to vote in the referendum.

The exact date for opening the referendum will be specified by the county agent in each county after he has received printed ballots from Washington. Ballots are being printed. December 15 is fixed as the final date on which ballots will be received throughout the voting area. Administration officials hope to be able to announce the results of the referendum by December 20.

Owners, renters, share-tenants and share-croppers will be given an opportunity to vote on the following question:

"Do you favor a tax on the sale of_______________(name of the type of tobacco which differs in the several voting areas) tobacco for the crop year beginning May 1, 1935 as provided in the Kerr-Smith Act?"

The ballot for owners and renters asks the number of acres of tobacco harvested on the farm in 1935, while the ballot for share-tenants and share-croppers asks the number of acres of tobacco harvested by the share-tenant or share-cropper in 1934, "including both your share and the landlord's share". In order that the vote of every person may be related to specific acreage, it is essential to have the cards identified with the land that is owned, rented, share-cropped or controlled by the person voting.

One or more voting places will be designated in each county. Before the opening voting day, county agents will mail individual notices to all landowners and renters and to share-tenants and share-croppers whose names and addresses are available, specifying the time and place for voting in their locality. The places and times for voting will be given general publicity.

County agents will mail cards for use in balloting, to persons who have not voted by December 8. Eligible voters may sign these cards and return them by mail or may leave them unsigned and return them in person to the county agent. Cards mailed to voters will be accompanied by a notice which will include a statement of the closing date for receiving votes and will advise the voter that if all other persons having an interest in his land or in the production of tobacco on the land in which he is interested, and who vote, favor continuance of the Kerr-Smith Act, and if his vote is not received by the closing date, it may be determined that he favors continuance of the Act.

Where ballots are cast in person, the balloting will be secret. Ballots deposited by the voting places by the voter need not be signed. Voters who find it necessary to mail their ballots should sign the ballots in order to prove their right to vote. Information as to how any person votes, however, is to be confidential.

The votes will be tabulated in each county. Immediately after the county report has been prepared and mailed, all voting cards received in the referendum will be mailed to the Tobacco Section of the Adjustment Administration.

The basis for a referendum on the Kerr-Smith Tobacco Act is contained in the Act itself, which specifies that before the ad valorem tax provided in the bill may be levied for the crop year 1935-1936 it must be determined "that the persons who own, rent, share-crop or control three-fourths of the land customarily engaged in the production of any type of tobacco favor the levy of the tax thereon."

The Kerr-Smith Act levies a tax of 33 1/3 percent of the gross first sale value of all tobacco (except Maryland, Virginia sun-cured, and cigar-leaf tobacco) harvested in the crop year 1934-35, but provides that the Secretary of Agriculture may prescribe a lower rate of tax (not less than 25 percent of the price for which such tobacco is sold) if he determines and proclaims that such lower rate will best effectuate the declared policy of the Act.

The Secretary prescribed a rate of 25 percent for the 1934-35 crop year. The tax is payable by the seller. Every first sale of the types of tobacco taxed under the Act must be covered either by revenue stamps or by tax-payment warrants.

In effect the tax falls upon growers who have not entered into contracts with the Secretary. They are obliged to purchase stamps. The Secretary is authorized to issue tax-payment warrants to growers who have entered into contracts with the Secretary and to other growers for whom no equitable provision could be made under the contracts offered by the Secretary. Contracting growers are entitled to sell, under tax-payment warrants, all of the tobacco which they are permitted, under their contracts, to market. The quantity of tobacco which non-contracting growers in a county may sell under tax payment warrants is limited to 6 percent of the quantity which may be marketed by contracting growers in such county.

The Act further provides that if "the Secretary of Agriculture determines that the persons who own, rent, share-crop, or control three-fourths of the land customarily engaged in the production of any particular type of tobacco favor the levy of the tax thereon and that the imposition of the tax thereon is necessary for the orderly marketing of such tobacco in interstate and foreign commerce and to effectuate the declared policy of this Act, he shall proclaim such determination at least 60 days prior to the next succeeding crop year, and the tax shall thereafter apply to tobacco of such type harvested during the crop year next following the date of such proclamation." The beginning of the crop year as defined in the Act is May 1.

County agents have the names and addresses of all owners or renters of tobacco land in their respective counties. More than 90 percent of these growers produced tobacco this year under contracts which, at the discretion of the Secretary of Agriculture, may be continued in 1935. Growers who have not signed contracts will be given an opportunity to sign contracts for 1935. Both con-

tracting and non-contracting growers will have opportunity to vote.

The principal areas in which the several types of tobacco affected by the referendum are grown are:

Flue-cured - Types 11, 12, 13, and 14 as defined by the Bureau of Agricultural Economics; grown in Virginia, North Carolina, South Carolina, Georgia, and Florida.

Burley - Type 31; grown in Kentucky, Tennessee, Ohio, Indiana, West Virginia, Missouri, Virginia and North Carolina.

Fire-cured - Types 22, 23 and 24; grown in Southern Virginia; Western Kentucky and Western Tennessee.

Dark Air-cured - Types 35 and 36 (One Sucker and Green River); grown in Western Kentucky and Western Tennessee.

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PRICES RAISED TO PRODUCERS UNDER AN INDIANA MILK LICENSE

Increased prices to producers to meet higher production costs, increased deductions for the supervision of the market, and a general revision of the license to strengthen and clarify its terms, are included in an amended license for the milk sales area of Evansville, Ind.. The amended license will go into effect on November 25.

The amended license defines Class 1 prices to producers, f.o.b. the city plants, as 53 cents a pound of butterfat in the milk instead of 48 cents a pound of butterfat specified since the license was instituted on February 26, 1934. This new price for Class 1 milk is approximately $2.01 per 100 pounds of 3.8 percent milk, or about 4.3 cents a quart delivered to the city; whereas the former price was about $1.82. Thus the new price represents an increase of about 19 cents per 100 pounds more to producers.

The requested advance in price came from the Evansville Milk Producers' Association, comprising 600 members, supplying about 88 percent of the total supply. A shortage of feed and higher feed and forage costs, together with higher herd replacements, are reasons advanced for the increased price. The Class 2 price has also been advanced from 38 cents a pound of butterfat in milk to 43 cents a pound, or about $1.63 per 100 pounds of 3.8 percent milk, representing an increase of about 15 cents per 100 pounds to producers.

Inasmuch as no revision or amendment has hitherto been made to the present Evansville milk license since its origin in February, 1934, the amended license carries the new revised draft, which is a form that makes the meaning clearer and sets forth certain exemptions for producers who deliver their own milk direct to consumers.

Producer-distributors are exempt from the blended price and pool computations up to an amount equal to their base, and special provisions are used

for milk which they sell to other distributors in bulk or buy from other producers, as well as milk which they sell in excess of bases.

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HEARINGS ON TWO WESTERN MILK LICENSES

At the request of associations of producers, the Agricultural Adjustment Administration has issued calls for hearings on proposed milk licenses for the sales areas at Sacramento and San Jose, California, and Tucson, Arizona. The hearing at Sacramento will be held on November 27 in the State Capitol; the hearing in San Jose will take place on November 30, and the Tucson hearing on December 3.

The Sacramento license has been requested by the Sacramento Grade A Milk Producers' Association and the Cooperative Grade A Milk Producers. It is tentatively drafted on the base-surplus method of payment to producers, but without any definite schedule of prices, as these will be developed at the hearing.

Subject to discussion, the tentative sales area defined in the license includes the corporate limits of Sacramento, and five towns in Sacramento county, as well as one town in Yolo county. Recently there has been a price war in the area. Home delivered milk has sold for 7 cents a quart, and 6 cents at stores. For the past 13 months producers have received an average of about 54 cents a pound of butterfat in whole milk used for consumption, which amounts to about $2.16 per hundredweight of 4 percent milk, approximately 4.6 cents a quart f.o.b. the city.

Increased feed and labor costs caused producers to request advances in their prices at this time.

The license proposed for the San Jose area is requested by the Santa Clara Milk Producers' Association. It is drafted on the single blended pool price plan of payment to producers, but without having any definite schedule of prices set forth. Milk has been selling to consumers at from 9 to 11 cents a quart delivered, depending on the amount bought by each consumer. Producers have received about 40 to 45 cents a pound of butterfat in the milk from distributors.

The sales area tentatively defined in the license subject to discussion and amendment at the hearing, consists of the towns of San Jose, Santa Clara, Willow, Glenn and Burbank, and the townships of San Jose, Santa Clara, Campbell, Redwood, Saratoga, Fremont and Sunnyside.

The proposed license for the Tucson, Arizona, area is drafted on the single blended pool price plan. No prices to producers or resale prices are scheduled in the tentative draft, as these and other important points will be developed at the hearing. The proposed sales area includes the city of Tucson and adjacent precincts in Pima county. A complete survey of the facts on the market will be sought at the hearing from agencies on the market that appear with testimony relative to the proposed license.

REQUEST FOR APPEAL OF CHICAGO MILK CASE

The Agricultural Adjustment Administration has announced that it has requested the Department of Justice to prosecute promptly an appeal from the decision of Judge Barnes, rendered on November 21, in the Chicago milk case, entitled Columbus Milk Producers' Cooperative Association vs. Henry A. Wallace, as soon as the final decree in this case is actually signed.

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FIFTY COOPERATIVES HAVE SPONSORED MILK LICENSES

Data in the dairy section of the Agricultural Adjustment Administration indicate that a total of 50 different producers' cooperative associations engaged in selling milk or bargaining for the sale of milk for their members have acted as sponsors and have made requests for the existing 46 Federal fluid milk licenses, excluding those at New Orleans, San Diego, Calif., and Philadelphia.

A license for New Orleans was terminated at the request of producers, while the San Diego and Philadelphia licenses have not been reconsidered and redrafted according to the 1934 policy.

Of the 50 cooperative associations of producers, 20 are affiliated with the National Cooperative Milk Producers' Federation. One of the associations, the Michigan Milk Producers' Association, is represented on 10 different markets under Federal licenses, and the New England Milk Producers' Association is represented on five different licensed markets.

It is pointed out that, in addition to these cooperatives which requested and sponsored the licenses, a number of other cooperatives and groups of independent producers, as well as some distributors' units, supported the licenses at the hearings and have lent their aid in administering the licenses when they were made effective.

The licensed areas, the dates when licenses were effective, and the sponsoring cooperatives originally requesting the licenses are:

Licensed Area	Date Effective	Sponsoring Producers' Cooperatives
Chicago, Ill.	Feb. 5, 1934	The Pure Milk Association
Des Moines, Iowa	Feb. 14, 1934	Des Moines Cooperative Dairy Marketing Association
Twin Cities, Minn.	Feb. 16, 1934	The Twin City Milk Producers' Ass'n.
Omaha-Council Bluffs	Feb. 23, 1934	Nebraska-Iowa Non-stock Cooperative Milk Association
Evansville, Ind.	Feb. 26, 1934	Evansville Milk Producers' Association
St. Louis, Mo.	March 2, 1934	Sanitary Milk Producers, Inc.
Boston, Mass.	March 16, 1934	New England Milk Producers' Association and Consolidated Dairies
Lincoln, Neb.	March 17, 1934	Lincoln Non-stock Cooperative Milk Producers' Association
Sioux City, Ia.	March 17, 1934	Sioux City Milk Producers' Association

Wichita, Kans.	March 17, 1934	Wichita Milk Producers' Association
Indianapolis, Ind.	April 1, 1934	Indianapolis Producers' Dairy Council Indianapolis Dairymen's Cooperative Inc.
Kansas City, Mo.	April 1, 1934	Pure Milk Products Inc.
Detroit, Mich.	April 1, 1934	Michigan Milk Producers' Association
Newport, R. I.	April 1, 1934	Local Milk Producers' Association and New England Milk Producers' Assn.
Providence, R. I.	April 1, 1934	Local Milk Producers' Association and New England Milk Producers' Assn.
New Bedford, Mass.	April 1, 1934	New Bedford Milk Producers' Association and New England Milk Producers' Assn.
Fall River, Mass.	April 1, 1934	Fall River Milk Producers' Association and New England Milk Producers' Assn.
Richmond, Va.	May 1, 1934	Richmond Cooperative Milk Producers' Assn.
Lexington, Ky.	May 2, 1934	Lexington Graded Milk Producers' Assn.
Leavenworth, Kans.	May 16, 1934	Pure Milk Producers' Association
Quad Cities, Ill-Iowa	June 1, 1934	Quality Milk Association and Illinois Iowa Milk Producers' Association
Louisville, Ky.	June 1, 1934	Falls Cities Cooperative Milk Producers
Los Angeles, Calif.	June 1, 1934	(Orange County Milk Producers, Inc. (Los Angeles Mutual Dairymen (Los Angeles County Natural Milk Ass'n. (Milk Producers, Inc. (Dairymen's Association, Inc. (California Milk Producers' Assn.
Oklahoma City, Ok.	June 16, 1934	O. K. Cooperative Milk Association
Alameda County, Oakland, California	July 1, 1934	Cooperative Dairymen's League Midway Milk Producers United Milk Producers of California
Ft. Wayne, Ind.	July 1, 1934	Wayne Cooperative Milk Producers' Assn.

Ann Arbor, Mich.	July 1, 1934)	
Battle Creek, Mich.	July 1, 1934)	Local of Michigan Milk Producers
Grand Rapids, Mich.	July 1, 1934)	
Kalamazoo, Mich.	July 1, 1934	Kalamazoo Milk Producers' Assn.
Lansing, Mich.	July 1, 1934)	
Port Huron, Mich.	July 1, 1934)	
Muskegon, Mich.	July 1, 1934)	Local of Michigan Milk Producers
Bay City, Mich.	July 1, 1934)	
Saginaw, Mich.	July 1, 1934)	
Flint, Mich.	July 1, 1934)	
Baltimore, Md.	August 1, 1934	Maryland State Dairymen's Ass'n.
Savannah, Ga.	August 16, 1934	Better Milk Cooperative League
Tulsa, Ok.	August 21, 1934	Tulsa Milk Producers' Cooperative Ass'n.
Denver, Colo.	September 1, 1934	Colorado Dairymen's Cooperative, Inc. The Colorado Milk Producers, Inc.
Fort Worth, Texas	Sept. 1, 1934	Ft. Worth Food & Dairy Council Natural Milk Producer-Distributor Ass'n.
San Francisco, Calif.	Oct. 2, 1934	Consolidated Milk Producers of Calif. United Milk Producers of Calif.
Southern Illinois area	November 1, 1934	Sanitary Milk Producers and Illinois Agricultural Association
Topeka, Kans.	November 10, 1934	Topeka Milk Producers' Ass'n.
Phoenix, Ariz.	November 10, 1934	Arizona Milk Producers
Atlanta, Ga.	December 1, 1934	Georgia Milk Producers' Confederation Cooperative Raw Milk Association Milk Producers' Cooperative Ass'n. Georgia Pure Milk League

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PHOENIX, ARIZONA, MILK LICENSE AMENDMENTS

The correction of a typographical error in defining the boundaries of the Phoenix, Arizona, milk sales area, and a change in the Class 2 price from the basis of Los Angeles 92 score butter plus 20 per cent plus 10 cents, to a straight 40 cents per pound of butterfat, are the only changes included in an amendment to the existing license for Phoenix, approved by the Agricultural Adjustment Administration. Signed by Secretary Wallace, the amendment became effective on November 21.

The amendment changes the word "north" to the correct direction "east" in one phrase describing the boundary. The change in Class 2 price from Los Angeles butter market quotation to the 40-cent price per pound of butterfat in milk was made because the rise in the butter market operates to produce a price for Class 2 milk nearly the same as the present Class 1 price of 50 cents per pound of butterfat. With anticipated improvement in demand and buying power on the part of consumers, the conditions may soon make it possible to advance the Class 1 price more in line with present prices of feed and forage.

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BENEFIT PAYMENT CONTRACT FOR LOUSIANA SUGARCANE

Under-Secretary R. G. Tugwell has approved the sugarcane production-adjustment contract which will be offered to Louisiana sugarcane growers in the sugar program of the Adjustment Administration.

Under the program, cooperating Louisiana growers are expected to receive 1934 benefit payments of approvimately $6,000,000, in addition to the return from their 1934 crop. The contract applies to production of cane in 1934 and 1935 and may be extended to 1936.

Growers are to receive benefit payments for the years in which the contract remains in effect.

Immediate benefits to Louisiana producers will be the payment of the first installment on their 1934 crop, amounting to $1 a ton on their base or estimated production. These payments are due when contracts are signed and accepted.

The sugarcane adjustment program seeks to maintain the production of Louisiana sugarcane at the amount necessary to produce 215,000 tons of sugar, the share of Louisiana in the 260,000 tons allotted to domestic sugarcane producers under the Jones-Costigan Amendment to the Agricultural Adjustment Act.

The contract will be available for signature of Louisiana planters as soon as it has been printed and distributed.

The contract terms fall in two groups: the first relating to performance by the producer, and the second to performance by the Secretary of Agriculture.

The payment of benefits is to be based on the production of the farm, and such farm is given a production allotment determined from the past production on the farm. The producer has the option of a two, three, four, or five-year average past production as his base. This average must include either 1932 or 1933 production and may include both. The producer may take 70 per cent of his production 1933 or 1934 as a base, if he wishes. For a limited number of new producess to whom none of these options apply, a base production may be determined by the Secretary in a manner equitable to the producer and to other producers.

The producer agrees that all farms controlled by him in Louisiana on which sugarcane is to be grown shall be covered by a contract.

If, after all producers have selected their options for base production, the totals are above or below the Louisiana share of the domestic sugarcane allotment, the options are to be adjusted pro rata to bring the total in line with the Louisiana share of the allotment. It is this adjusted production allotment, upon which benefit payments are to be based.

Producers agree to notify the Secretary by a specified date of their intention to plant, and if they intend to plant or do plant less than their allotments, their production allotment is to be adjusted accordingly.

Producers agree not to produce more than their production allotment for the 1935 crop year and not to plant more acreage than is necessary to produce, at average yield, their allotment.

Under the terms of the contract, the producer agrees not to reduce the number of share-tenants or share-croppers below the number on the farm in 1934.

In order to effectuate the policy of the Agricultural Adjustment Act, the contract forbids labor of children under 14 years of age and limits labor of children from 14 to 16 years to 8 hours a day. Children of the producer are exempted from these provisions.

Other labor provisions authorize the Secretary, after public hearings, to fix minimum wages for Louisiana sugarcane production for 1935 and 1936 if the program is extended to that year. Producers also agree that they will pay promptly all bona fide claims for wages for the production of the 1934 crop, and that the final payment on their 1934 crop shall be subject to payment of such wage claims. Producers also agree to abide by the decision of the Secretary of Agriculture in any labor disputes which he may adjudicate upon request of a producer or any other person.

The sugarcane adjustment contract runs with the land, and if the land is transferred, the terms of the contract remain in effect for the farm. If part of the land is transferred, the division of the production allotment is to be decided upon by the old and new owners, or if they fail to do this, it may be done by the Secretary of Agriculture.

Although no allotments were made to processors of sugarcane for the 1934 crop, producers in signing the contract agree that if such allotments are made during the term of the contract, they will sell their cane only to processors receiving allotments.

In consideration of the performance by the producer, the Secretary of Agriculture agrees in the contract to make benefit payments upon the 1934 and 1935 crops, and the 1936 crop if the program is extended to that year. Benefit payments are to be made upon the basis of standard cane. Payments on the 1934 crop are to be in two installments. The first installment is to be $1 a ton on the base production of the farm, except where it is estimated that the production will be less, in which case the first payment will be made on the estimated tonnage. The first payment will go to producers as soon as contracts are signed and accepted by the Secretary. The final 1934 payment, which is to be an amount, "Which, when added to the advance 1934 payment, and the average market price of sugarcane as ascertained by the Secretary, shall result in a price equal to the parity price per ton on sugarcane," and will go to producers after they have given proof of compliance with the contract for 1935.

Payments for 1935 are also to be in two installments. The first payment, due after growers have submitted proof of compliance with the contract, will be not less than 50 cents a ton on the base production of the producer, except where it is estimated that actual production will be less. The second payment will be in sufficient amount to give the producer a parity return on his actual production, as long as it does not exceed his production allotment.

Partial crop insurance is provided in the deficiency payments which assure the producer a payment of $1 a ton on the estimated production of acreage which has to be abandoned because of general conditions not within the control of the producer. The tonnage upon which such payment is made is to be no greater than the difference between the actual production and the production which the Secretary estimates would have been produced but for the abandonment.

Special provision is made for loss due to freezes. If abandonment is necessary after November 1 and during the harvesting of the crop, the producer will be entitled to deficiency payments of $1.50 a ton on the abandoned production. These payments are to be made as soon as possible after December 1.

If the contract is extended to 1936, payments are to be made to producers to give a parity return, with the amounts and time of such payment to be determined later.

Benefit payments are to be divided among landlords and tenants on the same basis as they share in the crop under their rental agreement.

Administration of the program locally will be by Parish Sugarcane Production Adjustment Control Associations, who will work in connection with the representatives of the Sugar Section of the Agricultural Adjustment Administration.

The general Louisiana sugarcane program is being handled by the State Agricultural Extension Service. For further details, farmers should see their County Agent.

# # #

TENTATIVE APPROVAL OF PHILIPPINE SUGAR AGREEMENT

The marketing agreement for sugar produced in the Philippine Islands, under consideration for several months, has been tentatively approved by Secretary Wallace and sent to millers, refiners, and handlers of sugar in the Islands for signature. The agreement is applicable to the 1934-35 crop and to subsequent crops which may be produced in the Islands during the time the Agricultural Adjustment Act is in force.

The marketing agreement, drafted after public hearing in the Islands, provides for alloting among processors and handlers of sugar in the Philippines the quota established under authority of the Costigan-Jones sugar legislation for the Philippine Islands. Thus the agreement provides means whereby the sugar industry in that area may cooperate with the Adjustment Administration in making the necessary fundamental sugar production adjustments.

Under the proposed agreement, the contracting millers, refiners, and handlers also agree not to ship to the United States any sugar between October 16, 1934, and December 31, 1934. This provision will prevent the accumulation of sugars from the Philippines at United States Ports in the first part of 1935.

Millers, refiners, and handlers who may be signatory to the proposed agreement agree to abide by allotments to be established; agree to mill and handle only cane or sugar which has been produced in accordance with allotments; agree to keep uniform records and to assist in the administration of the agreement.

Sugar production in the Philippine Islands has increased rapidly in the last decade. In the 1923-24 crop season, 417,000 tons of sugar were produced; in the crop year 1933-34, which was the last year, 1,571,000 tons were produced. The next crop (1934-35), without restriction, would be at about the same level as the preceding crop. The 1934 quota established by the Secretary of Agriculture under the provisions of the Costigan-Jones Act for Philippine sugars is 1,015,185 tons. This quota, like quotas for the other offshore sugar producing areas, is based on the average imports for consumption in the United States for the three years deemed to be the most representative years, as required by the provisions of the Costigan-Jones Act.

At the present price of raw sugar, 3 cents a pound duty paid, the value of the quota established for the Philippine Islands is approximately $60,000,000. The marketing agreement, therefore, regulates the shipments and allotment of a $60,000,000 crop.

In the agreement, the millers agree specifically that they will mill no more sugarcane than necessary to produce the sugar for which they have received an allotment; that they will mill no cane for planter who does not have a production allotment; that they will cease milling cane for a planter when his allotment is completed; that they will keep records on the amounts of cane milled; will keep uniform records; will waive conflicting provisions in existing contracts they may have; will comply with marketing allotments; and will assist in certain details of administration of the marketing agreement.

Refiners agree not to manufacture, transport or market direct-consumption sugar in excess of marketing allotments; to manufacture such sugar only from sugar produced in accordance with production and marketing allotments; and to abide by marketing allotments to contracting and other refiners, millers, and handlers.

Handlers of sugar agree not to handle sugar produced otherwise than in accordance with production and marketing allotments.

Administration of the agreement is to be by a control committee composed of one member selected by the Secretary of Agriculture, two representatives of the millers, one representative of refiners, and one representative of the handlers. The control committee is to be the intermediary between the Secretary of Agriculture and the contracting signatories. Signatories may appeal decisions of the control committee.

TERMINAL GRAIN ELEVATORS TO BE UNDER EXCHANGE CODE

The terminal grain elevator industry has been placed under a code of fair competition by designation as a sub-division under the code for the grain exchanges, necessary amendments to that code having been made, the Agricultural Adjustment Administration has announced. The order covering the action has been approved by the National Recovery Administration and signed by Secretary of Agriculture Wallace.

Placing the terminal elevator industry under the grain exchange code was determined upon as more feasible than having a separate code for the industry, since practically all terminal elevator industry members are also members of grain exchanges and are thus automatically governed by the terms of the grain exchange code. The principal effect of the order will be to broaden the labor provisions of the grain exchange code to cover terminal elevator labor.

The order will be effective December 10, 1934. The proposal to include the terminal industry under the grain exchange code was sponsored by the Terminal Elevator Grain Merchants' Association, which represents approximately 80 percent of the terminal elevator storage space of the country and more than 50 percent of the number of terminal elevator operators.

# # #

SOUTHEASTERN POTATO AGREEMENT HEARINGS

A series of three hearings on a proposed amended marketing agreement and amended license for potatoes grown in North Carolina south of Albemarle Sound, South Carolina, Georgia, and Florida, will be held at Hastings, Florida, December 7, Washington, N. C., December 3, and at Meggetts, S. C., on December 5, it is announounted by the Agricultural Adjustment Administration.

This area is included in the southeastern potato agreement which is effective for the area north of Albermarle Sound, but due to the lateness of the season when the agreement was approved by the Secretary it was made effective only for the districts still marketing and a license was issued only to those districts. The three hearings called are in connection with the hearing to be held at Painter, Virginia on November 26, concerning the amendment to the agreement.

# # #

HEARINGS ON TWO-STATE TOMATO AGREEMENT

Three public hearings on the proposed agreement for tomatoes grown in Texas and Mississippi, in addition to a hearing called at Crystal Springs, Mississippi, on November 27, will be held at Jacksonville, Texas, on December 3; at Yoakum, Texas, on December 5, and at Harlingen, Texas, on December 7. It is announced by the Agricultural Adjustment Administration that the proposed agreement seeks to improve returns to growers through regulation of shipments according to the demands of the market, through stabilization of price conditions within the industry, and adoption of United States grades as a basis on which tomatoes are to be purchased and handled.

# # #

REGULATIONS ON FILINGS WITH AAA HEARING CLERK ISSUED

Regulations describing the type of documents that are to be accepted for filing by the Chief Hearing Clerk of the Agricultural Adjustment Administration, and authorizing the use of authenticated copies of such documents as admissible evidence in court and administrative hearings, have been signed by the Secretary of Agriculture and approved by President Roosevelt.

The regulations provide that authenticated copies of documents shall be admitted in evidence equally with the originals in any hearing or in court proceedings of any nature whatsoever when authenticated under the Seal of the Department of Agriculture in accordance with Title 28, Section 661, of the United States Code Annotated.

In all cases wherever any notice is required or authorized to be given by any General Regulations, proof of the giving of such notice shall be made by the affidavit of the employee of the Agricultural Adjustment Administration who gave such notice or who has personal knowledge of the facts. These affidavits are to be filed in the office of the Chief Hearing Clerk.

In addition to performing his duties in accordance with all General Regulations and administrative orders of the Secretary, the Chief Hearing Clerk is instructed to also perform his duties in accordance with certain written instructions which may be issued from time to time by the General Counsel.

The regulations, issued as General Regulations, Series 7, Revision 1, constitute a revision of and supersede General Regulations, Series 7; provided, however, that any certifications of any documents which have heretofore been made by the Chief Hearing Clerk pursuant to General Regulations, Series 7, shall be just as valid and effective as if General Regulations, Series 7, had not been revised and superseded by the new regulations.

Secretary of Agriculture Henry A. Wallace signed the new regulations on October 23, 1934, and President Roosevelt approved them on October 24, 1934.

# # #

GOVERNMENT PURCHASES OF DROUGHT-AREA SHEEP

Up to November 15, sheep purchases by the Government in drought areas totaled nearly 3 1/2 million head. Here is a summary of the facts, tabulated by the Drought Relief Service:

State	Number of farms selling sheep	Sheep Inventory on those farms	Total ewes 1 year old and over on farms	Total ewes purchased	Total ewes condemned
Arizona	74	166,817	62,210	6,701	2,809
California	159	336,050	248,241	22,597	6,546
Colorado	1,066	1,847,719	1,185,860	188,999	91,265
Idaho	744	1,315,749	1,063,704	130,283	58,482
Iowa	120	16,262	10,332	1,766	49
Kansas	121	60,991	35,727	9,571	1,704
Minnesota	494	115,624	25,049	6,544	168
Missouri	542	44,711	29,075	7,011	61
Montana	2,185	2,587,545	1,925,708	492,955	346,756
Nebraska	235	117,379	65,587	25,126	3,765
Nevada	293	1,073,705	779,667	90,995	7,260
New Mexico	1,236	2,273,423	1,377,503	249,831	147,006
North Dakota	2,331	337,025	252,171	74,436	20,007
Oregon	558	1,210,051	876,253	166,369	98,458
South Dakota	2,350	760,069	590,019	152,222	74,506
Texas	9,440	7,808,690	4,114,969	1,052,606	789,409
Utah	1,883	2,111,175	1,511,007	200,422	116,545
Wyoming	1,668	4,414,940	2,872,575	586,491	355,829
Totals	25,499	26,597,925	17,025,657	3,464,925	2,120,625

# # #

EMERGENCY DROUGHT CATTLE PURCHASES

Up to November 21, 1934, the number of counties which, in 23 states, had been designated as "emergency relief counties" was 1,186. The total purchases of cattle and calves by the Government through November 15 amounted to 7,217,535 head. This was 29.5 percent of the inventory on the farms. Condemnations on farms increased to 1,143,026 head, or 15.8 percent of the number purchased. Cattle comprised 77 percent of the purchases and calves 23 percent. The average price paid for all cattle, including calves, was $13.56 a head. Total shipments to packing plants and grazing areas amounted to 5,853,701 head.

The slaughter of Government cattle and calves under Federal Surplus Relief contracts, totaled 2,944,657 head through November 2, and 1,900,000 head on State Emergency Relief projects up to November 8, making a total slaughter of 4,845,283 head. The number of cattle remaining on pasture on November 14 totaled 835,146 head. Here is a summary of emergency drought cattle purchase data, June 6 to November 15, inclusive:

State	Number Emergency Counties	Number farms selling cattle	Cattle Inventory on those farms	Total cattle sold: Number	Total cattle sold: Percent of Inventory	Cattle condemned: Number	Cattle condemned: Percnet of cattle sold
Arizona	14	2,275	508,202	83,854	16.2	15,228	18.2
Arkansas	50	26,689	347,168	87,914	25.3	13,692	14.9
California	18	1,373	131,750	19,535	14.9	1,720	8.8
Colorado	63	15,427	1,146,720	246,672	21.8	31,575	12.4
Florida	--	--	--	16,335	--	1,380	8.4
Idaho	30	3,604	148,487	32,026	20.4	5,485	17.1
Illinois	12	1,218	15,861	2,589	26.7	77	2.3
Iowa	31	4,092	91,021	18,656	20.4	1,611	5.6
Kansas	105	39,824	1,745,598	488,750	28.1	11,900	2.4
Louisiana	13	9,784	144,677	30,967	21.1	10,821	33.2
Minnesota	48	42,460	789,037	241,016	30.5	5,936	2.4
Missouri	110	87,305	1,405,087	476,426	35.1	16,910	3.5
Montana	38	13,975	758,420	323,540	42.6	7,806	2.2
Nebraska	92	57,712	2,793,222	952,417	16.5	13,887	2.9
Nevada	17	907	378,082	32,990	8.6	1,292	3.8
New Mexico	31	13,357	1,698,761	454,387	25.3	143,888	31.7
North Dakota	53	60,672	1,841,621	943,708	51.2	46,221	4.9
Oklahoma	77	25,230	982,715	437,441	42.3	170,885	41.1
Oregon	12	1,077	130,901	11,926	9.1	355	2.9
South Dakota	69	52,692	1,814,700	865,254	47.9	79,919	9.2
Texas	233	88,961	5,785,958	1,522,899	26.3	498,394	32.7
Utah	29	18,618	443,297	105,271	23.5	38,285	27.0
Wisconsin	19	15,805	307,905	53,971	17.5	1,470	2.7
Wyoming	22	9,322	1,040,383	268,991	26.8	34,289	12.7
Totals	1,186	592,379	24,449,573	7,217,535	29.5	1,143,026	15.8

# # #

HORESE AND MULES IN THE UNITED STATES

In answer to an editor's questions, it may be said that the total number of horses and mules on farms and ranches in the United States was 7,145,000 in 1870; 10,357,000 in 1880; 14,969,000 in 1890; 19,833,000 in 1910; 21,555,000 in 1918, and in 1919 the highest that it has ever been in our history, being 26,346,000 head.

Subsequent to that year the number of horses and mules decreased steadily until on January 1, 1934, it was down to a total of 16,873,000 head--a disappearance of 9,563,000 head.

It is estimated that 90,000,000 crop acres were required to feed our horse and mule population in 1919, this being equivalent to 3.5 acres a head for the 25,748,000 head on farms on January 1, 1920.

On this basis the loss, since 1919, of 9,563,000 horses and mules from farms, ranches, cities and towns in the United States means that we have lost a market for the product of more than 30,000,000 crop acres.

Estimates indicate that it takes 66 colts per 1,000 horses and 55 mule colts per 1,000 mules to replace the annual loss of horses and mules in this country. In 1930 only 35 colts per 1,000 horses and 24 mule colts per 1,000 mules were raised.

The farm value per head of horses was lower in 1932 than it has ever been before in the United States. In that year it was $53.20. It rose slightly in 1933 and went up to $66.42 this year.

Mules also struck their lowest farm price level in 1932, when they were $60.56 a head. In 1934 their value was $81.56 a head.

These are average prices. Good, well-broken horses and mules in their prime would command very much higher prices per head than these averages, if their owners wished to sell them.

# # # #

PRICES PAID BY FARMERS FOR CLOTHING AND SHOES

Farmers paid higher prices for clothing in the Pacific, New England and Rocky Mountain regions than in other areas during the period January 24-27, 1934, according to the second of a series of reports released by the Crop Reporting Board. A report on the prices of furniture and floor coverings was released on July 16. Other reports, covering prices paid for food, household articles, building materials, feed, seed, fertilizer, farm equipment, supplies and farm machinery by States will be published at a later date.

A geographic index of clothing prices indicates that prices paid by farmers for clothing were 18 percent higher in Pacific Coast States than in the United States as a whole. Clothing prices were 10 percent lower in the East South-Central States than the national average. The index is published on page 3 of this report by grand divisions, and on page 10 by States. States reporting the highest prices for clothing purchased are California, Nevada, Washington, Maine and Massachusetts. The lowest prices were reported in South Carolina, Georgia, Alabama and Mississippi.

Two major factors contribute to the geographic variation in price. One is the differential in freight rates from the point of manufacture to retail clothing stores in different parts of the country. The second factor is the variation in annual cash income and the consequent variation in the kinds and quality of items purchased in different sections of the country.

The following tables show the number of towns in the States of the various geographical divisions of the country in which data were gathered and the prices paid by farmers for socks, shoes, gloves, overalls and shirts in the towns:

Division	Men's Work Socks, Cotton: Towns	Men's Work Socks, Cotton: Price per pair	Men's Socks, Silk and Rayon: Towns	Men's Socks, Silk and Rayon: Price per pair	Men's Work Shoes: Towns	Men's Work Shoes: Price per pair	Canvas Gloves Knitted Wrists: Towns	Canvas Gloves Knitted Wrists: Price per pair
	No.	Cents	No.	Cents	No.	Cents	No.	Cents
U. S.	11,109	14.1	10,792	24.9	10,531	2.38	10,573	15.7
N. Eng.	321	19.3	279	30.5	279	2.63	332	20.1
M. Atl.	805	15.9	773	27.1	726	2.50	799	16.9
E.N.Cen.	1,456	14.4	1,415	25.5	1,374	2.37	1,467	15.4
W.N.Cen.	2,192	14.1	2,166	25.1	2,122	2.41	2,189	15.1
S.Atl.	1,878	13.3	1,831	22.7	1,798	2.27	1,591	16.1
E.S.Cen.	1,461	13.0	1,428	23.0	1,406	2.21	1,253	16.3
W.S.Cen.	1,569	13.0	1,539	23.8	1,518	2.17	1,511	15.1
Mt.	823	14.5	790	27.1	746	2.64	826	15.9
Pac.	604	15.6	571	28.6	562	3.01	605	15.4

Division	Chore Coat, Denim or Canvas Blanket Lined: Towns	Chore Coat, Denim or Canvas Blanket Lined: Price each	Overalls: Towns	Overalls: Price each	Men's Work Shirts: Towns	Men's Work Shirts: Price each	Men's Shirts, White Broadcloth, Collar Attached Medium Weight: Towns	Men's Shirts, White Broadcloth, Collar Attached Medium Weight: Price each
	No.	Dol.	No.	Dol.	No.	Dol.	No.	Dol.
U. S.	8,103	1.79	11,017	1.28	11,056	72.6	10,265	1.08
N. Eng.	205	2.06	324	1.26	319	78.8	244	1.14
M. Atl.	523	1.92	796	1.20	789	77.8	724	1.12
E.N.Cen.	991	1.80	1,451	1.25	1,458	72.1	1,358	1.12
W.N.Cen.	2,047	1.75	2,188	1.31	2,186	70.9	2,084	1.11
S. Atl.	1,180	1.77	1,860	1.24	1,879	70.1	1,769	.97
E.S.Cen.	1,029	1.69	1,431	1.29	1,449	70.3	1,376	.95
W.S.Cen.	1,152	1.82	1,547	1.29	1,555	73.0	1,449	1.05
Mt.	641	1.87	823	1.35	821	75.8	726	1.17
Pac.	335	1.78	597	1.38	600	79.7	535	1.27

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